

TEWKESBURY BOROUGH COUNCIL

Report to:	Executive Committee
Date of Meeting:	12 October 2016
Subject:	Review of Procurement Strategy
Report of:	Simon Dix, Head of Finance and Asset Management
Corporate Lead:	Rachel North, Deputy Chief Executive
Lead Member:	Councillor D J Waters
Number of Appendices:	One

Executive Summary:

The Corporate Procurement Strategy was last updated in October 2012 and is now due for review. The strategy has been updated to reflect the progress made and is supported by the Contract Procurement Rules, approved at this Committee in January 2016.

Recommendation:

To APPROVE the updated Corporate Procurement Strategy.

Reasons for Recommendation:

The Council is spending public money and has a duty to do this in an open and transparent way and obtain best value. The Procurement Strategy reflects this obligation and promotes effective procurement.

Resource Implications:

None directly arising from the report.

Legal Implications:

The Council was required to adopt Contract Procedure Rules in order to comply with Section 135 Local Government Act 1972 which requires all local authorities to make standing orders with respect to the making of contracts by them or their behalf. This Strategy supports the Contract Procedure Rules.

Risk Management Implications:

None.

Performance Management Follow-up:

The Procurement Working Group oversees procurement practice throughout the organisation and offers support to services to ensure value for money is obtained within the contractual and procurement activities of the Council. The contracts register of the Council is subject to transparency requirements and is published on a quarterly basis.

Environmental Implications:

None.

1.0 INTRODUCTION/BACKGROUND

- 1.1** The Corporate Procurement Strategy (CPS) is aimed at promoting effective procurement across the whole organisation.
- 1.2** The current CPS was last fully approved by Members in October 2012.
- 1.3** Historically, the Council spends circa £4.3m per annum on procuring goods, services and works although this has recently increased to £6.4m with the outsourcing of services to Ubico Ltd; the budget for capital fluctuates from year to year with approximately £7.8m being spent in 2015/16. In a time of significant austerity measures there is even more focus on procurement to help the Council deal with the severe challenges we face.
- 1.4** This Strategy sets out how procurement will support the delivery of the Council's Corporate Plan 2016–2020 and its corporate priorities, as well as meet the Council's legislative obligations.
- 1.5** In addition, the Strategy also takes into account recommendations of the Local Government Association in the National Procurement Strategy for Local Government in England 2014.

2.0 REVISED CORPORATE PROCUREMENT STRATEGY

- 2.1** The current Corporate Procurement Strategy contained a number of actions to ensure that procurement within the organisation was taken forward over the period of the Strategy. Responsibility for procurement was transferred to the Finance and Asset Management Group in 2014 and, since then, a number of those actions have been delivered. These include:
- Procurement Working Group re-established.
 - Procurement activities overseen by Procurement Advisor.
 - Procurement training offered to all Officers involved in procurement process.
 - Updated procurement toolkit issued to staff.
 - A selling to the Council guide established.
 - Contract Procedure Rules reviewed and approved by Members.
 - Contract Procedure Rules training rolled out to staff.
 - Compliance with requirement to publish all contracts with a value over £25,000 on the government website 'Contract Finder'.
- 2.2** The draft Corporate Procurement Strategy for 2016–2020 is detailed at Appendix A.

2.3 The draft CPS for the next four years continues the aim of ensuring procurement is carried out effectively and delivers value for money for the Council. In this respect, much of the Strategy remains the same. However, in order for procurement practices to be efficient and consistent throughout the whole organisation, the main actions within the new Strategy relate to the development of the purchase ordering module within the financial system, which will replace paper based manual practices, and the implementation of a new procurement system to automate our procurement responsibilities and ensure effective interaction with our suppliers. The new system will also meet our transparency requirements for publishing contract information, manage contracts throughout the term of the contract and meet new legislative requirements for electronic tendering.

2.4 If the revised CPS is approved by Executive on 12 October 2016, it is the intention that it will be replacing the existing CPS with immediate effect.

3.0 OTHER OPTIONS CONSIDERED

3.1 None.

4.0 CONSULTATION

4.1 The Procurement Working Group, chaired by the Section 151 Officer, was consulted during the drafting of the revised Strategy.

5.0 RELEVANT COUNCIL POLICIES/STRATEGIES

5.1 Contract Procedure Rules last approved by Council in January 2016.
Financial Procedure Rules last approved by Council in November 2011.

6.0 RELEVANT GOVERNMENT POLICIES

6.1 None.

7.0 RESOURCE IMPLICATIONS (Human/Property)

7.1 None.

8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

8.1 None.

9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

9.1 The Corporate Procurement Strategy helps the Council to demonstrate value for money in its procurement activities.

10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

10.1 Approval of Contract Procedure Rules at Council on 13 January 2016.

Background Papers: None.

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Appendices: A – Corporate Procurement Strategy.